



General Assembly

**Substitute Bill No. 853**

January Session, 2015



**AN ACT CONCERNING ACCELERATED BENEFITS OF LIFE  
INSURANCE POLICIES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 38a-457 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2015*):

4 (a) As used in this section:

5 (1) "Accelerated benefits" means benefits payable under a life  
6 insurance policy sold in this state: (A) During the lifetime of the  
7 insured, in a lump sum or in periodic payments, as specified in the  
8 policy, (B) upon the occurrence of a qualifying event, as defined in the  
9 policy, and certified by a physician or an advanced practice registered  
10 nurse who is licensed under the laws of a state or territory of the  
11 United States, or such other foreign or domestic jurisdiction as the  
12 Insurance Commissioner may approve, and (C) [which] that reduce  
13 the death benefits otherwise payable under the life insurance policy.

14 (2) "Insurance policy" or "policy" means an insurance policy or  
15 certificate or rider or endorsement thereto.

16 (3) "Qualifying event" means (A) a medically determinable  
17 condition suffered by the insured that can be expected to result in

18 death in a relatively short period of time, such as twelve months and  
19 may include, but is not limited to, coronary artery disease, myocardial  
20 infarction, stroke, kidney failure or liver disease, (B) a medical  
21 condition that would, in the absence of extensive or extraordinary  
22 medical treatment, result in death in a relatively short period of time,  
23 such as twelve months, or (C) a medically determinable condition  
24 suffered by the insured [, which] ~~that~~ has resulted in the insured being  
25 considered a chronically ill individual for the purposes of Section  
26 101(g) of the Internal Revenue Code of 1986, or any subsequent  
27 corresponding internal revenue code of the United States, as amended  
28 from time to time, and which has caused the insured to be confined for  
29 at least six months in such insured's place of residence or in an  
30 institution that provides necessary care or treatment of an injury,  
31 illness or loss of functional capacity, and for which it has been  
32 medically determined that such insured is expected to remain confined  
33 in such place of residence or institution until death.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2015</i>	38a-457(a)
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**BA**      *Joint Favorable Subst.*